

<b>RAIN AND HAIL INSURANCE SERVICE, INC.</b>	)	<b>AGBCA No. 99-112-F</b>
<b>(Andy Sumner),</b>	)	
	)	
Appellant	)	
	)	
<b>Representing the Appellant:</b>	)	
	)	
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	)	
<b>Representing the Government:</b>	)	
	)	
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**DECISION OF THE BOARD OF CONTRACT APPEALS**

July 26, 1999

**OPINION BY ADMINISTRATIVE JUDGE EDWARD HOURY**

This appeal arose under a Standard Reinsurance Agreement (SRA) between the Federal Crop Insurance Corporation (FCIC), a wholly-owned Government corporation within the U. S. Department of Agriculture, and Rain and Hail Insurance Service, Inc., of West Des Moines, Iowa (Appellant). Under the SRA Appellant sells and administers Multi-Peril Crop Insurance (MPCI) policies in furtherance of the Government's crop insurance program. The appeal also relates to FCIC's Manager's Bulletin, MGR 93-020, which allows reinsurers such as Appellant to recoup certain litigation expenses incurred administering crop insurance policies, if conditions in the MGR 93-020 are met.

The facts indicate that an insured<sup>1</sup> filed a claim for cotton crop losses allegedly covered by the MPCCI policy. Appellant concluded that the crop loss was due to the insured's failure to provide sufficient care of the cotton crop, and to make normal progress towards maturity and harvest. Consequently, Appellant refused to indemnify the insured. The insured sued Appellant in the U. S. District Court for the Southern District of Georgia alleging Appellant breached the MPCCI contract and acted in bad faith. The insured sought contract damages, attorney fees and court costs. The litigation was settled. From the FCIC, Appellant claimed reimbursement of litigation expenses under MGR 93-020.

Appellant appealed the failure of FCIC's Deputy Administrator of Insurance Services to reverse FCIC's denial of Appellant's claim. The pleadings and Rule 4 documents were filed. The parties declined the opportunity for a hearing and the Board established a schedule for supplementing the evidentiary record and for briefing. Appellant filed a motion to dismiss the appeal "in conjunction with other settlement negotiations" with the FCIC.

**DECISION**

In accordance with Appellant's agreement, the appeal is dismissed.

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**EDWARD HOURY**  
Administrative Judge

**Concurring:**

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**JOSEPH A. VERGILIO**  
Administrative Judge

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**ANNE W. WESTBROOK**  
Administrative Judge

**Issued at Washington, D.C.**  
**July 26, 1999**

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<sup>1</sup> The insured was Andy Sumner.